DEED OF LEASE

BETWEEN

RICHTREE CORPORATION

AND

MONTGOMERY COUNTY, MARYLAND

DATED: November 1999

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DEED OF LEASE

THIS DEED OF LEASE (the "Lease"), made and executed this following day of November, 1999, by and between RICHTREE CORPORATION, c/o Rim Pacific Management, 15520 Rockfield Boulevard, Suite G, Irvine, California 92618, Attention: Asset Manager (hereinafter referred to as "Landlord"), and MONTGOMERY COUNTY, MARYLAND, a body corporate and politic (hereinafter referred to as "Tenant").

WITNESSETH:

That for and in consideration of the rents hereinafter reserved and the agreements and covenants herein contained, Landlord and Tenant agree as follows:

- LEASED PREMISES: Landlord does hereby lease and demise unto Tenant, and Tenant does hereby lease and take from the Landlord, for the term and upon the conditions hereinafter provided, all that certain building (containing approximately 54,874 square feet of space) and the land on which the building is located, having an address of 1300 Quince Orchard Boulevard, Gaithersburg, Maryland, which space and land are outlined in red on Exhibit A attached hereto and made a part hereof and which collectively are hereinafter referred to as the "Leased Premises".
- 2. LEASE TERM: Subject to the terms hereof, the term hereby created (the "Lease Term") shall commence on that date (the "Lease Commencement Date") which is the date of execution and delivery hereof by Landlord and Tenant. The Lease Term shall expire at 11:59 p.m. on the day preceding the fifteenth (15th) anniversary of the Rent Commencement Date (as herein defined) or any earlier date on which this Lease is terminated (the "Lease Expiration Date").

RENT:

A. <u>Base Annual Rent</u>. Landlord and Tenant agree that Tenant shall pay to the Landlord a base annual rent (the "Base Annual Rent") beginning on the Lease Commencement Date, in the amount of SIX HUNDRED FIFTY THOUSAND TWO HUNDRED FIFTY-SIX AND NINETY-SIX/ONE HUNDREDTHS DOLLARS (\$650,256.96) per annum, payable in equal monthly installments (the "Base Monthly Rent") of FIFTY-FOUR THOUSAND ONE

HUNDRED EIGHTY-EIGHT AND EIGHT/ONE HUNDREDTHS DOLLARS (\$54,188.08) per month .

- B. Payment Address. Tenant covenants and agrees to pay Base Monthly Rent and all other amounts due hereunder to Landlord, payable to Richtree Corporation c/o RIM Pacific Management, 7918 Jones Branch Drive, Suite 510, McLean, Virginia 22102 or such other address designated by Landlord pursuant to Section 39. The first rental payment shall be due and payable on that date which is 120 days after the Lease Commencement Date, but in no event later than December 1, 1999 (the "Rent Commencement Date"). All Rent payments shall be made by the Tenant in advance, on or before the first day of each month (or at such other time as set forth herein), without notice, set-off, deduction or demand therefor from the Landlord.
- C. <u>Interest</u>. Any Rent payment not received by Landlord within 5 days from the date it becomes due and payable shall be assessed interest at the rate of 15% per annum from the due date until paid; provided that, notwithstanding the foregoing, Landlord agrees to waive such interest upon Tenant's written request not more than once in any period of twelve (12) consecutive months, on the condition that the Rent payment in question is paid to Landlord not later than ten (10) days after delivery of written notice from Landlord that such Rent is due and payable.
- D. Late Charge. In addition to interest pursuant to Section 3(C), if any Rent is not received by Landlord when it is due, Tenant shall pay Landlord a late charge equal to five percent (5%) of such amount; provided that, notwithstanding the foregoing, Landlord agrees to waive such late charge upon Tenant's written request not more than once in any period of twelve (12) consecutive months, on the condition that the Rent payment in question is paid to Landlord not later than ten (10) days after delivery of written notice from Landlord that such Rent is due and payable. Landlord and Tenant agree that this late charge represents a reasonable estimate of such costs and expenses and is fair compensation to Landlord for the loss suffered from such non-payment by Tenant. Acceptance of any interest or late charge shall not constitute a waiver of Tenant's default with respect to such nonpayment by Tenant nor prevent Landlord from exercising any other rights or remedies available to Landlord under this Lease.
- E. <u>Definition of Rent</u>. As used herein, the term "Rent" shall include the Base Monthly Rent and all other sums payable to Landlord by Tenant pursuant to the terms hereof, as the same may be adjusted pursuant to the terms hereof from time to time.

- 4. ANNUAL RENT ESCALATION: It is agreed between the parties that the Base Annual Rent (and corresponding installments of Base Monthly Rent) payable by Tenant shall be adjusted on each anniversary of the Rent Commencement Date to equal one hundred three percent (103%) of the Base Monthly Rent in effect immediately prior to such adjustment.
- 5. ROOF RIGHTS: Tenant shall, during the term of this Lease, have sole and exclusive rights to installation of communications equipment on the roof of the Leased Premises, subject to the terms of the attached Exhibit B. Tenant shall not, and shall not permit any person or entity to, use the roof of the Leased Premises for any purpose other than installation and operation of communications equipment. All such installation shall be performed in a professional, workmanlike manner that does not compromise any warranties existing on the roof, or result in any damage to the roof system.

6 MAINTENANCE AND SERVICES OF LEASED PREMISES:

A. 1. Tenant's Obligations. Except as otherwise expressly set forth in this Lease, Tenant shall provide, at its sole cost and expense, all utilities, repairs, maintenance and services desired by Tenant and/or required to operate and maintain the Leased Premises in a condition comparable to the condition of the Leased Premises at the Lease Commencement Date (normal wear and tear excluded), including, but not limited to the following: housekeeping and janitorial services; window cleaning; trash; pest control; the repair and maintenance of mechanical, electrical and plumbing systems and fixtures; all other maintenance and repairs to the Leased Premises (excluding roof and structural repairs which are not necessitated by Tenant and/or Tenant's agents, employees, contractors, assignees, sublessees, licensees, invitees, others for whose actions Tenant is responsible or over whose actions Tenant can reasonably be expected to exercise control, and others claiming by, through or under Tenant (collectively, "Tenant's Agents")). Without limiting the foregoing, except as obligations to repair are expressly delegated to the Landlord as described below, Tenant shall be responsible for the full cost of all maintenance and repair of doors, windows, screens, floors, walls, and ceilings located in and exclusively servicing the Leased Premises and all pipes, wires, conduits and other equipment and fixtures located in and exclusively servicing the Leased Premises (including, but not limited to, maintenance and repair of the heating, ventilating and air-conditioning system serving the Leased Premises). Tenant will throughout the Lease Term maintain a quarterly inspection and maintenance services contract from a qualified contractor, approved by Landlord, for the heating,

ventilating and air-conditioning system serving the Leased Premises. As to all repairs to be performed by Tenant, Tenant shall immediately perform repairs upon the occurrence of the necessity thereof. Tenant shall also be responsible to keep the private parking areas, private driveways and loading docks serving the Leased Premises free and clear of dirt, trash, debris, ice, snow, and any other obstructions. All glass in the Leased Premises, both exterior and interior, shall be maintained at the sole risk of Tenant, and Tenant agrees to replace any such promptly at its sole expense in the event of breakage.

- Landlord's Obligations. Landlord shall be responsible for repairs to the roof and structure of the Leased Premises, except to the extent such repairs are necessitated by the acts or omissions of Tenant or Tenant's Agents. As used in the preceding sentence, the term "structure" means foundations, footers, structural columns, load-bearing walls, and the exterior walls of the Building (excluding glass therein). Landlord shall also maintain in good order and repair all pipes, wires and conduits located outside of the Leased Premises which serve the Leased Premises; provided that, in each case, the cost thereof shall be paid by Tenant to Landlord, as additional rent, within ten (10) days after Landlord's submission of a bill therefor.
- B. Tenant's Self-Help Remedy. If (i) Landlord fails to respond in a reasonable period of time following receipt of Tenant's written request for Landlord to correct major maintenance and repair problems which are Landlord's responsibility hereunder and which substantially impair Tenant's use and enjoyment of the Leased Premises, and (ii) Landlord further fails to respond within five (5) days after the receipt of Tenant's second written notice (each a "Self-Help Repair Notice") of such default (which Self-Help Repair Notice must specify the needed repairs in detail and must set forth that the failure to complete (or commence and pursue) such repairs within five (5) days will entitle Tenant to exercise its self-help remedy under this Section 6) (or, if the nature of Landlord's obligation is such that, through the exercise of commercially reasonable efforts, more than five (5) days are required for its performance, Landlord fails within such five (5) day period to commence and diligently pursue a cure of such default), Tenant shall (as Tenant's sole and exclusive remedy), provided Tenant is not in default hereunder and further provided such default is not occasioned by (A) the acts or omissions of Tenant or Tenant's Agents, or (B) circumstances, events or facts beyond Landlord's reasonable control, have the right but not the obligation to correct these problems, in which event Landlord shall reimburse Tenant for Tenant's reasonable cost of correcting such problems within thirty (30)

days after receipt of an invoice therefor. Landlord is to be notified of requested major repairs and will contract and arrange for same. Notwithstanding anything herein contained to the contrary. Tenant's actions pursuant to Section 6(B) must conform and comply in all respects with the terms of this Lease (including, but not limited to, the applicable provisions hereof pertaining to the performance of alterations), and Tenant shall have no right to exercise its self-help remedy pursuant to Section 6(B) if (A) such remedy will or may adversely affect any warranty applicable to any portion of the Building, the Building structure or any system serving any of the same, or (B) the need for such self-help arises from or out of, or in connection with, any fire or other casualty damage to, or condemnation of, the Building. In addition, notwithstanding anything herein contained to the contrary, if the Building, or any part thereof, or the land on which the Building is constructed, or the Landlord's estate in the Building, is at any time subject to a mortgage or deed of trust (each a "Mortgage"), and/or (ii) this Lease, or the Rent payable under this Lease, is assigned to a mortgagee or the trustee(s) under a deed of trust (each a "Mortgagee"), then Tenant shall have no right to exercise any remedy under Section 6(B) unless and until Tenant first delivers written notice, in the manner provided elsewhere in this Lease for the delivery of notices, to such Mortgagee, specifying the basis for such self-help action in reasonable detail, and affording such Mortgagee a reasonable opportunity to perform the maintenance or repairs in question for and on behalf of the Landlord (it being understood and agreed that no such Mortgagee shall be obligated to perform such maintenance or repairs).

C. Payment for Utilities; Interruption of Utilities. Tenant shall be responsible for the direct payment of all costs, expenses and fees arising from or out of the consumption of utilities within the Leased Premises, including, but not limited to, oil, heat, gas, water, sewer and electric charges, when and as the same become due. In no event shall Landlord be liable for any interruption or failure in the supply of any utilities to the Leased Premises, except as follows. In the event that (i) electricity and/or heating or air conditioning (in season) of the Leased Premises, shall not be furnished for more than seven (7) consecutive days as result of the Landlord's, its agents', or employees' negligence, and (ii) Tenant, in its reasonable business judgment, determines that it is unable to (and in fact does not) use or occupy the Leased Premises (or any part thereof) as a result thereof, then the base rent Tenant is obligated to pay hereunder shall abate with respect

to that part of the Leased Premises which Tenant does not use and occupy, commencing on the eight (8th) such day until the date on which such services and utilities are restored.

D. <u>Damage Caused by Tenant</u>. Notwithstanding anything contained in this Lease to the contrary, Tenant shall promptly repair, at Tenant's sole expense, any damage to the Leased Premises caused by the acts or omissions of Tenant or any of Tenant's Agents.

7. EXPENSES:

- A. Real Estate Taxes. Tenant agrees to pay to Landlord the real estate taxes which are levied or imposed by lawful taxing authorities against the land and improvements comprising the Leased Premises, for each year of the Lease Term.
- B. <u>Definition</u>. "Real estate taxes" shall be deemed to mean all taxes, rates and assessments, general and specific, levied or imposed with respect to the land and improvements comprising the Leased Premises, including, but not limited to, all taxes, rates and assessments, general and specific, levied or imposed for schools, public betterment, general or local improvements and operations, front foot benefit charges, solid waste, and taxes imposed in connection with any special taxing district.
- C. Estimated Payments. Landlord shall forward to Tenant annually an estimated statement setting forth the amount of real estate taxes which Landlord reasonably estimates will be incurred for such calendar year. With each payment of rent due after delivery of such estimated statement, Tenant shall pay one-twelfth (1/12th) of such estimated amount; provided that, if the estimated statement is delivered after the first (1st) day of the calendar year in question, with the first payment due after delivery of such statement the Tenant shall pay onetwelfth (1/12th) of such estimated amount for each month in such year which has commenced prior to delivery of such estimated statement. Promptly following the end of each calendar year, Landlord shall deliver to Tenant an annual statement setting forth the amount of real estate taxes levied or imposed against the land and improvements which comprise the Leased Premises. Landlord's annual statement to Tenant shall contain copies of real estate tax billings. For each calendar year Tenant shall pay to Landlord, upon receipt of the Landlord's statement, but in no event more than 30 days after receipt of Landlord's statement, the amount by which the total amount of real estate taxes for the year exceeds the Tenant's estimated payments towards such real estate taxes. Tenant shall not be responsible for any late charges imposed against Landlord by the taxing authorities unless Tenant fails to make payment as set forth in this Section 7(C).

Tenant's liability for Tenant's proportionate share (100%) of any real estate taxes and assessments for the calendar years during which this lease commences and terminates shall in all events be subject to a pro-rata adjustment based on the number of days of said calendar year during which the term of this lease is in effect.

- D. Other Taxes. Tenant shall reimburse Landlord upon demand for any and all taxes payable by Landlord (other than net income taxes) which are not otherwise reimbursable under this Lease, whether or not now customary or within the contemplation of the parties, where such taxes are upon, measured by or reasonably attributable to (a) the cost or value of Tenant's equipment, furniture, fixtures and other personal property located in the Leased Premises, or the cost or value of any leasehold improvements made in or to the Leased Premises by or for Tenant, regardless of whether title to such improvements is held by Tenant or Landlord; (b) the gross or net Rent payable under this Lease, including, without limitation, any rental or gross receipts tax levied by any taxing authority with respect to the receipt of the Rent hereunder; (c) the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Leased Premises or any portion thereof, or (d) this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Leased Premises. If it becomes unlawful for Tenant to reimburse Landlord for any costs as required under this Lease, the Base Rent shall be revised to net Landlord the same net Rent after imposition of any tax or other charge upon Landlord as would have been payable to Landlord but for the reimbursement being unlawful, to the extent legally permitted.
- E. Net Return. It is the intent of the parties hereto that the Rent payable under this Lease shall be an absolutely net return to Landlord and that Tenant shall pay all costs and expenses relating to the Leased Premises and the business carried on therein, unless otherwise expressly provided in this Lease. Any amount or obligation herein relating to the Leased Premises which is not expressly declared to be that of Landlord shall be deemed to be an obligation of Tenant to be performed by Tenant at Tenant's expense.

8. CONSTRUCTION AND REMODELING:

A. <u>Landlord's Work</u>: Tenant hereby acknowledges that, prior to the date of this Lease, Landlord, at its sole cost and expense, has made any and all necessary repairs to the roof, and all necessary repairs and replacements to all HVAC mechanical equipment to bring it into proper operating condition (in accordance with the design specifications for the Building),

and that the Leased Premises (including, but not limited to, the mechanical, electrical and plumbing systems, and doors and windows therein) is in good condition and repair. If, at any time during the first lease year, any of the HVAC units fail beyond a reasonable repair and must be replaced, the Landlord will effect such a replacement at the Landlord's cost and expense. After the conclusion of the first lease year, if any HVAC units fail and need to be replaced, the cost thereof will be shared equally by Landlord and Tenant.

- B. <u>Tenant Alterations</u>: Tenant shall have the right, at Tenant's sole cost and expense, to construct improvements within the Leased Premises to suit the needs of its programs. Plans and specifications for all alterations, improvements and modifications performed by or on behalf of Tenant (collectively, "Alterations") are subject to approval in writing in advance by the Landlord, whose approval will not be unreasonable conditioned or delayed, provided that such improvements will not impair the structure of the Leased Premises or any warranties covering any portion of the Leased Premises.
- C. Conditions. Each Alteration in or to the Leased Premises shall be done in a good and workmanlike manner by properly qualified and licensed personnel approved by Landlord (such approval not to be unreasonably withheld), and such work shall be diligently prosecuted to completion. Without limiting the foregoing, Tenant shall engage Landlord's roofing contractor for the performance of any work affecting the roof of the Leased Premises. Tenant agrees not to perform or cause to be performed any addition, alteration or improvement in or to the Leased Premises which will or may increase Landlord's responsibility for compliance with Applicable Laws (including, but not limited to, the Americans with Disabilities Act) without Landlord's prior written consent (which consent may, inter alia, be conditioned upon receipt of a certificate of compliance with Applicable Laws from an architect, engineer or other person acceptable to Landlord). Tenant agrees to reimburse Landlord for its reasonable, out-of-pocket expenses incurred for the review of any proposed additions, alterations or improvements by Tenant, plus any third party construction management fees incurred by Landlord in connection with the same.
- D. <u>Title to Alterations</u>. Unless their removal is required by Landlord, all Alterations made to the Leased Premises shall become the property of Landlord and be surrendered with the Leased Premises upon the expiration of the Term. Landlord reserves the right to require removal upon the expiration of the Lease Term of any Alterations made to the

Leased Premises by or on behalf of Tenant, and the restoration of the affected areas of the Leased Premises. Notwithstanding the foregoing, Tenant shall retain title to all personal property of Tenant brought upon the Leased Premises and shall, upon the expiration or sooner termination of this Lease, remove the same and repair any damage to the Leased Premises occasioned by the installation, use or removal of such personal property, all at Tenant's sole cost.

9. USE:

- A. Permitted Use. Tenant warrants and agrees that the Leased Premises shall be used solely as general office, communications, and document and record storage space for the Montgomery County Departments of Fire, Police, and other County emergency response agencies; provided that (i) in no event shall any portion of the Leased Premises be utilized for any type of detention or welfare office or storage of any kind other than for documents and records, and (ii) in no event shall Tenant change the use of the Leased Premises from its initial use upon occupancy by the Tenant without the Landlord's prior written consent (which may be withheld in Landlord's sole discretion).
- B. <u>Common Areas</u>. The use and occupation by the Tenant of the Leased Premises shall include the use in common with others entitled thereto of the common areas, parking areas, service roads, loading facilities, sidewalks, and other facilities exclusively serving the Leased Premises, as may be designated from time to time by the Landlord, subject however to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as prescribed from time to time by the Landlord.
- C. No Nuisance. Tenant shall not do or permit anything to be done in or about the Leased Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Building or the Business Park, or injure or annoy them, or use or allow the Leased Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Leased Premises. Tenant shall not commit or suffer to be committed any waste in or upon the Leased Premises. Tenant agrees to operate, repair and maintain the Leased Premises at all times in a first-class manner. Tenant shall not place a load upon any floor of the Leased Premises which exceeds the load per square foot which the same was designed to carry, nor shall Tenant overload any electrical circuitry or equipment installed in or serving the Leased Premises.

10. ASSIGNMENT AND SUBLEASING:

- A. <u>Landlord's Consent Required</u>. Tenant shall not transfer or assign this Lease, or let or sublet the whole or any part of the Leased Premises without the prior written consent of Landlord first had and obtained, which consent shall not be unreasonably or unduly withheld. This Lease shall not, nor shall any interest of Tenant herein, be assignable by operation of law without the written consent of Landlord. Tenant shall deliver to Landlord not less than thirty (30) days prior written notice of any proposed assignment, sublet or other transfer of any interest of Tenant in this Lease or the Leased Premises (each a "Transfer").
- B. <u>Right of Recapture</u>. In any event, if the Tenant desires to assign or sublease all or part of the Leased Premises, Landlord shall first have thirty (30) days from written notice to accept the surrender of the portion of the Leased Premises proposed to be assigned or sublet, at the Landlord's sole option, and release the Tenant of further responsibility under this Lease with regard to such portion of the Leased Premises.
- C. Landlord's Reasonableness. Without limiting the grounds upon which Landlord may withhold or condition its consent to any Transfer, it shall be deemed reasonable for Landlord to withhold its consent to a proposed Transfer if Landlord determines that: (A) the proposed Transferee or its business is not of a type and quality suitable for a first-class office building, (B) the proposed assignment or sub-tenancy or the proposed assignee or subtenant would adversely affect the other tenants of the business park of which the Building is a part (the "Business Park) or would impose an additional, material burden upon Landlord in its operation of the Building or the Business Park, (C) the proposed Transferee has not been demonstrated to Landlord's satisfaction to have sufficient financial capability and stability to perform its obligations under this Lease and under such proposed assignment or sublease (as the case may be), (D) the proposed Transferee is proposing to engage in a use which (i) is not permitted pursuant to the terms hereof, (ii) is not permitted pursuant to applicable law to be conducted by the proposed Transferee or within the Leased Premises (or such lesser portion as is being sublet) or both, (iii) will violate any covenant, condition, restriction or other matter of record affecting title to the Building, or any other agreement, judgment or law by which Landlord or the Building is bound, or (iv) will violate any "exclusive use" or other restrictive covenant of any other lease of any portion of the Business Park, (E) Landlord's lender refuses to grant its consent to such Transfer

(if required), or (F) the proposed Transferee is a person or entity with whom Landlord is negotiating to lease space in the Business Park.

- D. No Release of Liability. In the event of any assignment or subletting, Tenant shall nonetheless remain responsible for the payment of all sums and the performance of all obligations required of the Tenant hereunder, including, but not limited to, reimbursement of all of Landlord's reasonable costs and expenses incurred in connection with the same. Tenant shall pay to Landlord one-half (1/2) of any consideration payable to Tenant with regard to any Transfer.
- E. <u>No Waiver</u>. No assignee or subtenant shall have a further right to assign or sublet except on the terms herein contained. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting.

11. PROPERTY DAMAGE AND LIABILITY INSURANCE:

- A. <u>Tenant's Liability Insurance</u>. Tenant shall obtain and maintain, during the full term of this agreement and any extension thereof, a policy of public liability insurance with bodily injury limits of FIVE HUNDRED THOUSAND DOLLARS (\$500,000) for injury (or death) to one person per occurrence, and property damage insurance with a limit of FIVE HUNDRED THOUSAND (\$500,000.00) DOLLARS with respect to damage to the property of others.
- B. <u>Tenant's Property Insurance</u>. Tenant further agrees that all equipment, trade fixtures or personal property in the Leased Premises shall be and remain at Tenant's sole risk, and Landlord shall not be liable for any damage to or loss of such equipment, trade fixtures or personal property.
- C. General Conditions. Tenant shall deliver to Landlord a certificate of insurance evidencing the coverage hereinabove described not later than the date of execution of this agreement. All insurance required to be carried by Tenant hereunder shall be issued by responsible insurance companies acceptable to Landlord and Landlord's lender and qualified to do business in the State of Maryland. Each policy shall name Landlord, and at Landlord's request any mortgagee of Landlord, as an additional insured, as their respective interests may appear. Each policy shall contain (i) a cross-liability endorsement, (ii) a provision that such policy and the coverage evidenced thereby shall be primary and non-contributing with respect to any policies carried by Landlord and that any coverage carried by Landlord shall be excess insurance, and (iii) a waiver by the insurer of any right of subrogation against Landlord, its agents, employees

and representatives, which arises or might arise by reason of any payment under such policy or by reason of any act or omission of Landlord, its agents, employees or representatives. A copy of each paid up policy (authenticated by the insurer) or certificate of the insurer evidencing the existence and amount of each insurance policy required hereunder shall be delivered to Landlord before the date Tenant is first given the right of possession of the Leased Premises, and thereafter within thirty (30) days after any demand by Landlord therefor. Landlord may, at any time and from time to time, inspect and/or copy any insurance policies required to be maintained by Tenant hereunder. No such policy shall be cancelable, except after twenty (20) days written notice to Landlord and Landlord's lender. Tenant shall furnish Landlord with renewals or "binders" of any such policy at least ten (10) days prior to the expiration thereof.

D. Waiver of Subrogation and Release. Landlord and Tenant each hereby agree to exercise all reasonable commercial diligence to have included in each of its hazard insurance policies (insuring the Building and Landlord's personal property therein, in the case of Landlord, and insuring the Tenant's personal property and the Leasehold Improvements in the Leased Premises, in the case of Tenant, against loss, damage or destruction by fire or other casualty therein covered) a waiver of the insurer's right of subrogation against the other party, or, if such waiver should be unobtainable or unenforceable, (i) and express agreement that such policy shall not be invalidated if the insured waives, before the casualty, the right of recovery against any party responsible for a casualty covered by the policy or (ii) any other form of permission for the release of the other party. If such waiver, agreement or permission shall not be, or shall cease to be, obtainable (A) without additional charge, or (B) at all, the insured party shall so notify the other party promptly after learning thereof. In the first such case, if the other party shall so elect and shall pay the insurer's additional charge therefor, such waiver, agreement or permission shall be included in the policy. Tenant hereby releases Landlord from any claim (including a claim for negligence) which it might otherwise have against Landlord for loss, damage or destruction with respect to the Tenant's property occurring during the Term of this Lease to the extent to which Tenant is insured and receives proceeds under a policy or policies containing a waiver of subrogation or permission to release liability, as provided in the preceding paragraph. If, notwithstanding the recovery of insurance proceeds by Tenant for such loss, damage or destruction of its property, Landlord party is liable to Tenant with respect thereto or is obligated under this Lease to make replacement, repair or restoration or payment, then (provided

Tenant's right of full recovery under its insurance policies is not thereby prejudiced or otherwise adversely affected) the amount of the net proceeds of Tenant's insurance against such loss, damage or destruction shall be offset against Landlord's liability to Tenant therefor, or shall be made available to Landlord to pay for replacement, repair or restoration, as the case may be. Nothing contained in this paragraph shall relieve Landlord or Tenant of any duty imposed elsewhere in this Lease to repair, restore or rebuild.

- E. Right to Self-Insure. Notwithstanding the foregoing, the County shall have the right to self-insure with respect to the risks otherwise required to be insured by the Tenant hereunder, on the conditions that: (i) the County delivers to Landlord not less than thirty (30) days' prior written notice of the County's intent to self-insure, accompanied by the details of the County's self-insurance program; (ii) Landlord reasonably determines that the County's self-insurance program provides Landlord and its lender(s) with the same rights, benefits and protections which it would have had if the County purchased third party property and liability insurance as specified herein (it being agreed that any reference herein to a release of Landlord from liability with respect to loss or damage against which Tenant is insured or required hereby to be insured shall include any risk, loss or event against which the County has elected to self-insure); (iii) Landlord reasonably determines that the County has made adequate financial arrangements to fund such self-insurance program; and (iv) such self-insurance is permitted by applicable law.
- F. <u>Landlord's Property Insurance</u>. Landlord agrees to obtain and maintain in effect at all times during the Lease Term, at Landlord's sole cost and expense, fire and extended coverage insurance insuring the Building.

12. GOOD ORDER AND REPAIR:

- A. <u>Tenant's Obligation</u>. Tenant covenants and agrees to maintain the Leased Premises throughout the Lease Term in good order, condition and repair, normal wear and tear and damage by fire, storm and any other risk against which Landlord is insured and with respect to which Tenant is not herein made expressly liable, excepted.
- B. <u>As Is Condition</u>. It is hereby understood and acknowledged by the parties hereto that Landlord is leasing the Leased Premises to Tenant in "as is" condition with all faults, and that Landlord has made no representations respecting the condition of the Leased Premises, or the suitability of the Leased Premises for Tenant's intended uses.

- furniture and trade fixtures necessary in the conduct of Tenant's business, and the same shall remain the property of Tenant provided they are removed by Tenant before the expiration of this Lease or any renewal or extension thereof. In the event any damage is done to said Leased Premises in the installation, use or removal of said furniture and trade fixtures, Tenant will immediately make such repairs as are necessary to restore said Leased Premises to their condition as of the Lease Commencement Date, reasonable wear and tear excepted, or promptly reimburse the Landlord for the cost of such repairs.
- 14. LIENS: Tenant expressly covenants and agrees that it will, during the term hereof, promptly remove or release, by the posting of a bond or otherwise, as required or permitted by law, any lien attached to said Leased Premises by reason of any act or omission on the part of Tenant, or any of Tenant's Agents, and hereby expressly agrees to save and hold harmless the Landlord from and against any such lien or claim of lien. In the event any such lien does attach, or any claim of lien is made against said Leased Premises, by reason of any act or omission upon the part of Tenant, and the said lien is not released within ten (10) days after notice thereof, Landlord, in its sole discretion (but nothing herein contained shall be construed as requiring it so to do), may pay and discharge the said lien and relieve the said Leased Premises from any such lien, and Tenant agrees to pay and reimburse Landlord upon demand for or on account of any expense which may be reasonably incurred by Landlord in discharging such lien or claim, which sum shall include the maximum legal interest rate per annum from the date such lien is paid by Landlord until the date Landlord is reimbursed by Tenant, or the Landlord, at the Landlord's sole option, may require that the Tenant remove or cause to be removed any such lien, at the Tenant's sole cost and expense, and if not so removed within forty-five (45) days, Landlord may terminate this Lease by written notice to Tenant. Payment of any claim under this Paragraph shall not act as an admission on the part of Tenant as to its responsibility or liability.

15. SIGNS AND ADVERTISEMENTS:

A. <u>Tenant's Authorized Signs</u>. Tenant will be permitted to display its sign on the existing monument sign located at the driveway entrance for the Building, and the existing sign at the Leased Premises fronting on Quince Orchard Road, in accordance with all existing rules, codes and statutes governing such signage. Tenant may change its sign with the Landlord's prior written consent, which consent will not be unreasonably withheld. Tenant shall not affix or

display any other sign on the Leased Premises without the Landlord's prior written consent.

Landlord shall have the right to install and maintain on the Leased Premises throughout the Lease

Term (i) the existing brick monument sign identifying the NorthTech Business Center, and (ii)

leasing signs announcing availability of space for lease in the NorthTech Business Center.

- Landlord's Consent. Tenant's right to install its signs as aforesaid shall be B. subject to Landlord's prior written consent (such consent not to be unreasonably withheld). Prior to the installation of such signs, Tenant shall, at Tenant's expense, prepare and submit to Landlord plans and specifications for the construction and installation of the sign for Landlord's written approval. If any sign is exhibited without first obtaining Landlord's written consent, Landlord shall have the right to remove the same, and Tenant shall be liable for any and all expenses incurred by Landlord in connection with such removal. Any sign erected by Tenant pursuant to the provisions hereof shall be erected at Tenant's own risk and expense, and shall be in accordance with applicable law. Tenant shall maintain said sign in a good state of repair and save the Landlord harmless from any liability, suit, claim, expense, fee, loss, cost or damage as a result of the construction, installation, maintenance, operation, existence or removal of the same. Tenant shall repair any damage which is caused by the construction, installation, operation, existence, maintenance or removal of Tenant's sign. Upon vacating the Leased Premises, Tenant shall remove such signs and repair all damage caused by the installation, operation and/or removal thereof, at the Tenant's sole expense.
- 16. LANDLORD'S INSPECTION RIGHTS: Landlord shall have the right at all reasonable times to enter upon the Leased Premises for the purpose of inspecting same, making necessary repairs, or showing same to potential purchasers. Landlord shall have the further right during the last twelve (12) months of the lease term to bring prospective tenants into the Leased Premises upon reasonable notice to Tenant and at times when such visits will not interfere with Tenant's business for the purpose of showing same and during such period, Landlord may display "For Rent" signs in the windows of the Leased Premises.

17. DEFAULT:

A. <u>Cure Period</u>. As to covenants contained in the Lease other than the payment of money, the Landlord agrees to give the Tenant twenty (20) days written notice specifying the default (or such longer period as is reasonably required to cure such default

through the exercise of prompt commercially reasonable efforts), prior to instituting a proceeding against the Tenant.

- B. Landlord's Remedies. If there is any default by the Tenant of any of the covenants, terms and conditions hereunder, Landlord shall be entitled to all remedies available to Landlord at law or in equity, including, but not limited to, the right to terminate the Lease by appropriate proceeding in any court of competent jurisdiction, the right to terminate Tenant's right of possession without terminating the Lease, the right to relet the Leased Premises in Landlord's name (if the Lease has been terminate (or as agent for Tenant if Tenant's right of possession has been terminated and this Lease has not). Notwithstanding the termination of this Lease or Tenant's right of possession, Tenant shall remain liable for any and all claims, costs, damages, expenses, fees, liabilities and losses suffered or incurred by or on behalf of Landlord as a result of Tenant's default (including, but not limited to, all rents due hereunder through the end of the Lease Term, and any costs to recover possession of the Leased Premises and/or to relet the same). In addition, Landlord may (but shall not be obligated to), without waiving such default, perform the same for the account at the expense of Tenant (in which case Tenant shall pay Landlord all costs of such performance promptly upon receipt of a bill therefor).
- C. Recovery of Rent. In the event of any deficiency in the payment of the rental during the Lease Term (disregarding any early termination thereof), which is not cured by Tenant within 15 days from receipt of written demand therefore from Landlord, or if the Tenant shall vacate or abandon said Leased Premises, Landlord may, by appropriate proceedings, recover the rents then due hereunder or, at its option, Landlord may re-rent from time to time said Leased Premises for the account of the Tenant, and such re-renting may be for a term or terms equal to, less, or greater than the remaining term hereunder, provided the Tenant shall not be liable for any deficiency in rent for any part of the term of such re-renting beyond the term of this Lease, and Landlord shall be entitled to collect the rent accruing under such re-renting and to apply the same first to all costs and expenses, including commissions, standard needed improvements and repairs necessary for re-renting, and attorney's fees incurred in connection with such re-renting and collection of rentals, and apply the balance of the deficiency in accrued rent under this Lease, and in one or more suits, at Landlord's option, recover any remaining deficiency from the Tenant. In the event of any suit by Landlord to recover possession, or for unpaid rent, Landlord shall also be entitled to recover (i) costs of suit, including reasonable attorney's fees and (ii) reasonable costs of

re-renting the Leased Premises, including commissions, needed standard improvements and repairs.

- D WAIVER OF NOTICE TO QUIT, RIGHT OF REDEMPTION. TO THE EXTENT PERMITTED BY APPLICABLE LAW, TENANT HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION AND RIGHTS TO CURE ANY DEFAULT HEREUNDER (HOWSOEVER DENOMINATED) AFTER LANDLORD RECOVERS POSSESSION OF THE LEASED PREMISES, NOW OR HEREAFTER GRANTED TO TENANT PURSUANT TO APPLICABLE LAW. NO ACCEPTANCE BY LANDLORD OF ANY MONIES OWED BY TENANT TO LANDLORD SHALL CONSTITUTE A WAIVER OF THE PROVISIONS OF THIS SECTION 17, NOR SHALL ANY REFUSAL BY LANDLORD TO ACCEPT ANY TENDER BY TENANT OF ANY SUMS OWED BY TENANT TO LANDLORD, IN CONNECTION WITH ANY PURPORTED EXERCISE OF ANY RIGHT OF REDEMPTION OR RIGHT TO CURE TO WHICH TENANT WOULD OTHERWISE BE ENTITLED, CONSTITUTE A TERMINATION OF THIS LEASE OR A RELEASE OF TENANT FROM ANY LIABILITY HEREUNDER. EXCEPT AS SPECIFICALLY PROVIDED IN THIS LEASE AND EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY PURSUANT TO APPLICABLE LAW, TENANT HEREBY EXPRESSLY WAIVES THE SERVICE OF ANY NOTICE TO CURE OR VACATE OR TO QUIT THE LEASED PREMISES AND WAIVES THE SERVICE OF ANY OTHER NOTICE OR DEMAND PRESCRIBED BY ANY CURRENT OR FUTURE STATUTE OR OTHER APPLICABLE LAW.
- E. Liquidated Damages. If Landlord elects to terminate this Lease, Landlord shall have the option, to be exercised in Landlord's sole discretion, to require Tenant to pay Landlord, in lieu of actual damages, liquidated damages in the sum of (a) all accrued and unpaid Rent as of the date of such termination (together with interest and late charges thereon in the amounts specified herein), plus (b) the present value (based on a discount rate equal to the thencurrent average yield on Treasury bonds maturing at approximately the same time as the Expiration Date) of the aggregate of the monthly installments of annual rent for the eighteen (18) month period commencing on the date following such termination (or, if less than eighteen (18) months remain in the Term, the aggregate of Landlord's reasonable estimate of the monthly installments of annual rent for the remainder of the Term), in one lump sum, said sum being the parties' reasonable estimation of the damages which Landlord will suffer as a result of Tenant's

breach (including the loss of rents, the costs of reletting, and the rent concessions which Landlord would have to incur as a consequence thereof) as of the date hereof. Tenant shall pay to Landlord the foregoing sum immediately upon delivery to it of Landlord's notice of the foregoing election. Landlord and Tenant hereby acknowledge and agree that the foregoing sum represents an enforceable liquidated damages remedy, and does not (and in no event shall be deemed to) constitute a penalty, the parties hereby further acknowledging that, in light of the size of the Leased Premises, Landlord is likely to encounter a substantial and prolonged period of vacancy, and substantial brokerage fees and other costs and expenses in connection with any attempt to relet the Leased Premises following a termination of this Lease.

- F. Default By Landlord. If the Landlord or Landlord's assigns shall fail or neglect to keep and perform each and every one of Landlord's covenants, conditions, and agreements as contained herein, and such failure or neglect is not remedied within thirty (30) days (or such longer period as may reasonably be required to correct the default with exercise of due diligence) after written notice from the Tenant or Tenant's assigns specifying the default, then the Tenant or Tenant's assigns, at Tenant's option, may pursue any legal remedies available to Tenant, including actions necessary to mitigate damages, but expressly excluding any termination, rescission or action for damages.
- G. No Waiver. In the event that proceedings shall at any time be commenced for recovery of possession as aforesaid and a compromise or settlement shall be effected either before or after judgment whereby Tenant shall be permitted to retain possession of said Leased Premises, then such proceedings shall not constitute a waiver of any condition or agreement contained herein or of any subsequent breach thereof or of this agreement. No waiver of any breach of any condition or agreement contained herein shall be construed to be a waiver of that condition or agreement or of any subsequent breach thereof, or of this agreement.
- H. <u>Remedies Cumulative</u>. Except as otherwise expressly set forth herein, all remedies granted in this section or otherwise provided by law shall be cumulative and, unless inconsistent, may be exercised separately or concurrently, or successively.
- I. <u>Contract for Lease</u>. If Tenant fails to take possession of the Leased Premises upon the commencement of the Lease Term, Landlord and Tenant acknowledge that this Lease may be construed as a contract to or for lease, as opposed to a contract of lease.

 Accordingly, Landlord and Tenant agree that, if Tenant defaults under this Lease prior to the

Lease Commencement Date, or if Tenant fails to accept possession of the Leased Premises when tendered by Landlord (it being acknowledged and agreed that any such failure by Tenant to accept possession of the Leased Premises when tendered by Landlord shall be a default hereunder), Landlord shall be entitled to terminate Tenant's right to possession of the Leased Premises and to recover from Tenant contract damages resulting from Tenant's default and/or failure to accept possession of the Leased Premises in an amount equal to all of the rents and other sums required to be paid under the Lease (as if Tenant had taken possession of the Leased Premises when tendered by Landlord) from the date on which Landlord tenders possession of the Leased Premises to Tenant until the date on which the Leased Premises are relet (if ever) or any earlier date on which the Lease would have expired by its terms, plus (but without duplication) all of the damages reserved to Landlord in this Lease (including, but not limited to, any rent deficiency upon any reletting, costs of reletting, and court costs and attorneys' fees incurred to relet the Leased Premises and/or to enforce Landlord's rights under the terms of this Lease).

Prevailing Party Attorneys' Fees. If any action or proceeding is brought by either party against the other pertaining to or arising out of this Lease, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred on account of the claims on which such party prevailed in such action or proceeding (the entitlement to reimbursement of attorneys fees' being determined on a claim by claim basis). For purposes of the foregoing sentence, the "prevailing party" shall be deemed to be the party which, upon resolution of the action (whether by voluntary withdrawal, unilateral action, mutual settlement, dismissal or judgment), has obtained substantially the relief sought by such party in such action for the claim in question; provided that, Landlord shall in all events be deemed to be the prevailing party in any action in which Landlord is granted a judgment for possession of the Leased Premises. In all events the finally prevailing party shall be entitled to recover one hundred percent (100%) of its legal fees incurred in such action, notwithstanding that such party has not prevailed on one hundred percent (100%) of its claims in such action. Without limiting the foregoing, Tenant shall pay all of Landlord's costs, charges and expenses, including court costs and attorneys' fees, incurred in enforcing Tenant's obligations under this Lease, incurred by Landlord in any action brought by Tenant in which Landlord is the prevailing party, or incurred by Landlord in any litigation, negotiation or transaction in which Tenant causes Landlord, without Landlord's fault, to become involved or concerned.

18. TERMINATION BY INSOLVENCY: An event of insolvency shall be deemed to occur upon: (a) the filing of a petition by or against Tenant for adjudication of Tenant as a bankrupt under the Federal Bankruptcy Act as now or hereafter amended or supplemented, or for reorganization of Tenant within the meaning of Chapter X of the Bankruptcy Act, or for an arrangement within the meaning of Chapter XI of the Bankruptcy Act, or the filing of any petition by or against Tenant under any future bankruptcy act for the same or similar relief; or (b) the dissolution, or liquidation of Tenant, or the appointing of a receiver or trustee of a substantial portion of the property of Tenant, whether instituted by or against Tenant; or (c) the taking possession of the property of Tenant by any governmental office or agency pursuant to statutory authority for the dissolution or liquidation of Tenant; or (d) the making by Tenant of an assignment for the benefit of its creditors. Upon the occurrence of an event of insolvency, then at the option of the Landlord, the Tenant's right of possession shall thereupon end and the Landlord may proceed to recover possession under the laws of the State of Maryland or any federal statute and seek any other remedy to which Landlord may be entitled under this Agreement and under the laws of the State of Maryland or any federal statute.

19. EMINENT DOMAIN:

- A. Condemnation. In the event that (at any time after the commencement date of this lease) as the aggregate result of one or more taking by eminent domain (other than by Tenant or any instrumentality, subdivision or affiliate of Tenant), the capacity of the parking areas of the Building shall be reduced by twenty-five percent (25%) or more, and if, within sixty (60) days after the occurrence of the most recent of such taking, Landlord shall not have furnished substitute adjacent parking areas which shall meet with the Tenant's approval (Tenant agreeing that such approval shall not unreasonably be withheld), Tenant may terminate this lease by written notice to Landlord sent at any time after the expiration of said sixty (60) day period. If (at any time after the commencement date of this lease) as the aggregate result of one or more taking by eminent domain (other than by Tenant or any instrumentality, subsidiary or affiliate of Tenant), the square footage of the Leased Premises shall be reduced by 25% or more, Tenant may terminate this lease by written notice to Landlord given not more than sixty (60) days from the date title rests in the condemning authority.
- B. Rent Abatement. Should the Tenant elect to remain in possession of the Leased Premises after any taking by eminent domain subject to the provisions of Paragraph 18A.,

the base rent and additional rents shall be reduced to reflect that proportion of the Leased Premises so taken.

- C. <u>Damage Awards</u>. Landlord reserves, and Tenant hereby assigns to Landlord, all rights to damages accruing on account of any taking by eminent domain of the Leased Premises, or the building of which they are a part, or the Building, or the leasehold hereby created.
- D. Tenant's Claim of Damages. Although all damages in the event of any condemnation are to belong to the Landlord whether such damages are awarded as compensation for diminution in value of the leasehold or to the fee of the Leased Premises, Tenant shall have the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or is recoverable by Tenant in Tenant's own right on account of any and all damage to Tenant's business by reason of the condemnation and for or on account of any cost or loss to which Tenant might be put in removing Tenant's merchandise, furniture, fixtures, leasehold improvements and equipment.
- DAMAGE TO LEASED PREMISES: If the Leased Premises shall be damaged 20. by fire or other insured casualty, not due to Tenant's or Tenant's Agents negligence or willful misconduct, but are not thereby rendered untenantable in whole or in part, Landlord shall promptly at its own expense cause such damage to the Leased Premises to be repaired to their condition prior to the damage, to the extent of any insurance proceeds, and the rent shall not be abated. If, by reason of any such occurrence not due to Tenant's or Tenant's Agents negligence or willful misconduct, the Leased Premises shall be rendered untenantable only in part, Landlord shall promptly at its own expense cause the damage to be repaired to their condition prior to the damage, to the extent of any insurance proceeds, and the base and additional rents meanwhile shall be abated proportionately as to the portion of the Leased Premises rendered untenantable. If the Leased Premises shall be rendered wholly untenantable by reason of such occurrence, the Landlord shall promptly at its own expense cause such damage to be repaired as close as possible to their condition prior to the occurrence of the damage, to the extent of any insurance proceeds, and the base and additional rent meanwhile shall be abated in whole; provided however, that in the event Landlord, in good faith, determines the damage cannot be repaired within 270 days after the date of the casualty, then Landlord shall notify Tenant of same, and Landlord and Tenant shall each have the right, to be exercised by notice in writing delivered to the other, to terminate this

Lease Agreement, and in such event this Lease and the tenancy hereby created shall cease as of the date of the said occurrence, the rent to be adjusted as of such date. Notwithstanding the foregoing, if more than fifty percent (50%) of the Leased Premises is damaged during the last 18 months of the Lease Term, Landlord shall have the right to terminate this Lease by notice in writing delivered to Tenant.

21. SUBORDINATION:

- A. General. Tenant hereby agrees that this Lease and the terms and provisions thereof shall be subject and subordinate to the lien, terms, and provisions of any mortgage or deed of trust (including a mortgage or deed of trust by virtue of this or other subordination) heretofore or hereafter placed upon or affecting the real property of which the Leased Premises form a part, to all renewals, modifications, consolidations, replacements, and extensions thereof, and to any supplementary security documents involving mortgage or deed of trust loan proceeds, and Tenant agrees to attorn to Landlord's lender for the Leased Premises from time to time. This clause shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall execute promptly any certificate that Landlord may request. In the event of any foreclosure sale or sales under or to enforce any mortgage or deed of trust, Tenant shall not be evicted from the leased premises, nor shall Tenant's leasehold estate under this Lease be terminated or disturbed, nor shall any of Tenant's rights under this Lease be affected in any way by reason of any default under such mortgage or deed of trust, provided that at the time of any such foreclosure sale or sales, Tenant is not then in default hereunder and Tenant attorns to the purchaser(s) at such sale(s).
- B. Mortgagee Protections. If requested by Landlord in writing, Tenant agrees to send by certified or registered mail to any mortgagee or deed of trust beneficiary of Landlord whose address has been furnished to Tenant, a copy of any notice of default served by Tenant on Landlord, before exercising any of Tenant's remedies under the Lease with regard to such default by Landlord. If Landlord fails to cure such default within the time provided for in this Lease, such mortgagee or beneficiary shall have an additional thirty (30) days to cure such default; provided that if such default cannot reasonably be cured within that thirty (30) day period, then such mortgagee or beneficiary shall have such additional time to cure the default as is reasonably necessary under the circumstances.

22. STATUS OF PERFORMANCE:

- A. <u>Estoppel Certificate</u>. Recognizing that both parties may find it necessary to establish to third parties, such as accountants, banks, mortgagees or the like, the then current status of performance hereunder, either party, on the written request of one to the other made from time to time, will promptly furnish a written statement on the status of any matter pertaining to this lease.
- B. <u>Contents</u>. Without limiting the generality of the foregoing, the Tenant and Landlord specifically agree, that at any time within twenty (20) days after such a request is made, the Tenant or Landlord shall execute, acknowledge and deliver to the other a certificate evidencing whether or not:
 - 1. This lease is in full force and effect;
 - 2. This lease has been amended in any way;
 - 3. There are any existing defaults hereunder to the knowledge of either party, and specifying the nature of such defaults, if any; and
 - 4. The date to which rent has been paid.
 - 5. Any other matter which a prospective purchaser or mortgagee may request.
- C. <u>Memorandum of Lease</u>. Landlord and Tenant agree that this lease shall not be recorded but that, upon request by either party, a short form lease of even date herewith, shall be executed and recorded in accordance with the laws governing and regulating recording of such documents in the state in which the Leased Premises are located, at the expense of the requesting party.

23. SURRENDER AND HOLDING OVER:

- A. <u>Duty to Surrender</u>. Tenant, upon expiration or termination of this Lease, either by lapse of time or otherwise, shall peaceably surrender to Landlord the Leased Premises, broom-clean and in good order and repair, and in the same condition as at the Lease Commencement Date, normal wear and tear and damage by fire, storm and any other risk against which Landlord is insured and with respect to which Tenant is not herein made expressly liable, excepted..
- B. <u>Holdover by Consent</u>. If Tenant holds over after the expiration of this lease with Landlord's consent, the tenancy created by such holding over shall be a month to month tenancy, but in all other respects shall be governed by the terms of this lease, provided, however,

- that (i). in all cases (except a default by Tenant hereunder) a thirty (30) day notice shall be required to terminate the tenancy created by such hold-over, and (ii) the rent hereunder during any such holdover period shall be 150% of the rental then in effect; and provided further that (i) if, upon the expiration of this Lease, Landlord and Tenant are actively engaged in good faith negotiations for a renewal of this Lease, Landlord agrees (on the condition the remainder of such holdover rent is paid timely) to defer payment of the excess of such holdover rent above the rental in effect immediately prior to the expiration of the Lease until the earlier of the ninetieth (90th) day after the expiration of the Lease Term or the date on which such negotiations cease, and (ii) if, on or before the ninetieth (90th) day after the expiration of the Lease Term, Landlord and Tenant execute and deliver a renewal of this Lease, Landlord agrees to waive payment of the amount of holdover rent deferred pursuant to clause (i).
- C. <u>Holdover Without Consent</u>. Notwithstanding the foregoing, if the Tenant holds over after the expiration of this Lease without Landlord's consent, Tenant shall, in the absence of any agreement to the contrary, be a tenant at sufferance, and shall pay to Landlord holdover damages equal to the greater of (i) the then-current fair market rental value of the Leased Premises or (ii) 150% of the rental in effect immediately prior to the expiration of the Lease Term.
- D. <u>Damages</u>. Tenant shall defend, indemnify and hold Landlord harmless from and against any and all claims, losses, liabilities or damages resulting from Tenant's failure to surrender possession of the Leased Premises in accordance with this Section 23 (including, but not limited to, any and all claims made by any succeeding tenant).
- 24. STATUTORY PROVISIONS: It is understood, agreed and covenanted by and between the parties hereto that Landlord and Tenant, as their interests may appear and at their respective expense, shall promptly comply with, observe and perform all of the requirements of all the statutes, ordinances, rules, orders and regulations now in effect or hereinafter promulgated, whether required by the Federal Government, State of Maryland, Montgomery County Government or Montgomery County Fire Marshal's Office, which are applicable to their respective rights or obligations hereunder. Without limiting the foregoing, Tenant hereby agrees to comply, at Tenant's sole expense, with all federal, state and local laws, ordinances, regulations, rules and other restrictions ("Applicable Laws"), including, but not limited to, the Americans with Disabilities Act, the Occupational Safety and Health Act, and all environmental laws, whether

now in force or hereafter enacted, with respect to the use, occupancy, condition, maintenance and/or repair of the Leased Premises. Tenant agrees to promptly deliver to Landlord a true, correct and complete copy of any notice of any complaint, proceeding or investigation pertaining to any violation or alleged violation of Applicable Laws by or at the Building received by the Tenant.

- 25. DEFINITION OF "LANDLORD": The term "Landlord" as used in this Lease means only the owner or the mortgagee in possession as owner for the time being of the land and Building or the owner of the Lease of the Building or of the land and building of which the Leased Premises form a part so that in the event of any sale or sales of said land and building or of said Lease, or in the event of a Lease of said building, or of the land and building, the Landlord hereunder shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder, and it shall be deemed and construed without further agreement between the parties or their successors in interest or between the parties and the purchaser at any such sale or the leasing of the Building or of the land and building, that the purchaser or the Tenant of the Building has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder.
- 26. LANDLORD NOT A PARTNER: It is expressly understood that the Landlord shall not be construed or held to be a partner or associate of the Tenant in the conduct of Tenant's business; it being expressly understood that the relationship between the parties hereto is and shall remain at all times that of Landlord and Tenant.
- 27. LANDLORD'S TITLE AND COVENANT OF QUIET ENJOYMENT:

 Landlord covenants that it has full right and power to execute and perform this lease, and that it will put Tenant into complete and exclusive possession of the Leased Premises upon completion of interior improvements. Landlord further covenants that Tenant, on paying the rents reserved herein and performing the covenants and agreements hereof, shall (subject to the terms hereof) be entitled to have, hold and enjoy the Leased Premises, and all rights, easements, appurtenances and privileges thereunto belonging or in any way appertaining, during the full term of this lease and any extension or renewals hereof, without interference from Landlord or anyone lawfully claiming through Landlord.
- 28. FORCE MAJEURE: Anything in this agreement to the contrary notwithstanding, providing such cause is not due to the willful act or neglect of either party, neither party shall be

deemed in default with respect to the performance of any of the terms, covenants, and conditions of this lease if same shall be due to any strike, lockout, civil commotion, war-like operation, invasion, rebellion, hostilities, military or upsurged power, sabotage, governmental regulations or controls, inability to obtain any material, service or financing, through Act of God or other cause beyond the control of either party. Notwithstanding the foregoing this Section 28 shall not apply to (i) the payment of money, (ii) the surrender of the Leased Premises as and when required hereby, or (iii) with respect to Tenant, governmental regulations or controls enacted by Tenant or any instrumentality, subdivision or affiliate thereof.

29. WAIVER OF JURY TRIAL AND COUNTERCLAIMS. IN CONSIDERATION OF THE RECIPROCAL WAIVER GRANTED BY THE OTHER PARTY PURSUANT TO THIS SECTION 29, EACH OF LANDLORD AND TENANT HEREBY (I) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY A JURY, AND (II) WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST, WITH RESPECT TO EACH AND EVERY ACTION, CLAIM, COUNTERCLAIM, PROCEEDING OR SUIT IN WHICH LANDLORD AND TENANT ARE ADVERSE PARTIES OR TAKE ADVERSE POSITIONS. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN, KNOWINGLY AND VOLUNTARILY, AND THIS WAIVER IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A JURY TRIAL WOULD OTHERWISE ACCRUE, INCLUDING, BUT NOT LIMITED TO, ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER LANDLORD OR TENANT ON, OR IN RESPECT OF, ANY MATTER OR CLAIM WHATSOEVER, WHETHER SOUNDING IN TORT OR CONTRACT, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE LEASED PREMISES OR THIS LEASE (INCLUDING, BUT NOT LIMITED TO, ANY CHALLENGE TO THE VALIDITY AND/OR EFFECTIVENESS OF THE LEASE IN WHICH THIS JURY TRIAL WAIVER APPEARS OR TO THE VALIDITY OR EFFECTIVENESS OF THIS JURY TRIAL WAIVER, WHETHER BY CLAIM OR FRAUD IN THE FACTUM OR IN THE INDUCEMENT, INTENTIONAL OR NEGLIGENT MISREPRESENTATION, DECEIT, OR OTHERWISE), THE RELATIONSHIP OF LANDLORD AND TENANT HEREUNDER, TENANT'S USE OR OCCUPANCY OF THE LEASED PREMISES AND/OR ANY CLAIM

OF PERSONAL OR PROPERTY INJURY OR DAMAGE, OR ANY STATUTORY REMEDY. EACH PARTY HERETO IS HEREBY AUTHORIZED AND REQUESTED TO SUBMIT THIS LEASE PROVISION TO ANY COURT HAVING JURISDICTION OVER THE SUBJECT MATTER AND THE PARTIES HERETO, SO AS TO SERVE AS CONCLUSIVE EVIDENCE OF THE HEREIN CONTAINED WAIVER OF THE RIGHT TO JURY TRIAL. FURTHER, EACH OF LANDLORD AND TENANT HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE OTHER PARTY HERETO (NOR THEIR RESPECTIVE COUNSEL) HAS REPRESENTED TO THE OTHER, EXPRESSLY OR OTHERWISE, THAT SUCH PARTY WILL NOT SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION. BY INITIALLING WHERE INDICATED BELOW, LANDLORD AND TENANT EACH ACKNOWLEDGE THAT (I) THEY ARE FULLY AWARE OF THE EXISTENCE OF THIS JURY TRIAL WAIVER, (II) THEY HAVE READ AND FULLY REVIEWED THIS JURY TRIAL WAIVER, (III) THEY HAVE HAD A REASONABLE OPPORTUNITY TO REVIEW THIS JURY TRIAL WAIVER WITH COUNSEL OF THEIR RESPECTIVE CHOICE, AND (IV) THIS JURY TRIAL WAIVER CONSTITUTES AN INDEPENDENT AGREEMENT AND COVENANT OF LANDLORD AND TENANT WHICH SHALL SURVIVE (A) THE INVALIDATION OF ALL OR ANY PORTION OF THE REMAINDER OF THE DEED OF LEASE IN WHICH THIS JURY TRIAL WAIVER APPEARS, OR (B) THE EXPIRATION OR SOONER TERMINATION OF THE DEED OF LEASE IN WHICH THIS JURY TRIAL WAIVER APPEARS.

TENANT'S INITIALS LANDLORD'S INITIALS

- 30. NON-DISCRIMINATION: Landlord agrees to comply with the non-discrimination in employment policies in County contracts as required by Section 11B-3 and Section 27-19 of the Montgomery County Code, 1994, as amended, as well as other applicable state and federal laws and regulations regarding employment discrimination. The Landlord assures the Tenant that in accordance with applicable law, it does not, and agrees that it will not discriminate in any manner on the basis of age, color, creed, national origin, race, religious belief, sexual preference other handicap.
- 31. CONTRACT SOLICITATION: Landlord represents that it has not retained anyone to solicit or secure this Lease from Montgomery County, Maryland, upon an agreement or

understanding for a commission, percentage, brokerage or contingent fee, except for bona fide employees or bona fide established commercial, selling or leasing agencies retained by the Landlord for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.

32. PUBLIC EMPLOYMENT: Landlord understands that unless authorized under Section llB-52 or Chapter 19-A of the Montgomery County Code 1994, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

33. NON-APPROPRIATION:

- A. Obligations Subject to Appropriation. Landlord and Tenant acknowledge and agree that, so long as Montgomery County, Maryland (the "County") is the Tenant hereunder, this lease (including, but not limited to, the County's obligation to pay the Stipulated Sum [as herein defined]) is subject to the annual appropriation of funds. Tenant agrees to annually propose and diligently pursue authorization of sufficient appropriations, and all approvals, authorizations or consents required to fund and perform this Lease for the County's succeeding fiscal year; provided, however, that Landlord acknowledges that this sentence shall not be binding upon the County Council for Montgomery County.
- B. Effect of Failure to Appropriate or Deliver Bond. If the County fails (i) to appropriate, on or before May 31st of any calendar year, sufficient funds for full payment of the rent and performance of the County's other obligations under the Lease (excluding payment of the Stipulated Sum) for the County's next fiscal year (i.e., the period commencing on the next July 1st and ending the following June 30th), or (ii) on or before May 31st of any calendar year, to either (A) appropriate sufficient funds (in addition to the funds described in clause (i)) to provide for full payment of the Stipulated Sum in the amount applicable to the County's next fiscal year, or (B) deliver a lease guarantee bond for the payment of the Stipulated Sum in the amount applicable to such next fiscal year and otherwise in substantially the same form as the lease guarantee bond attached hereto as Exhibit C, for any reason whatsoever, this Lease will automatically terminate at 11:59 p.m. on June 30th of the current fiscal year. Notwithstanding the foregoing, this Lease shall not be affected by any failure by the County to appropriate funds for payment of the Stipulated Sum or to deliver a lease guarantee bond, on or after the tenth (10th) anniversary of the Rent Commencement Date.

- C. Landlord Entitled to Stipulated Sum. Tenant shall give Landlord a minimum of thirty (30) days notice of the lack of appropriation. If this Lease is terminated pursuant to this Section 33, Tenant shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items. If Tenant has appropriated sufficient funds for the Stipulated Sum applicable to the then-current fiscal year (in lieu of providing a lease guarantee bond), Tenant shall pay to Landlord, concurrently with delivery of its notice of termination (but in no event later than thirty (30) days prior to the end of the then-current fiscal year), the then-current Stipulated Sum as liquidated damages for the anticipated vacancy losses which Landlord is reasonably expected by the parties to incur before a succeeding tenant commences the payment of rent for the Leased Premises after such termination. If the County fails to satisfy either of conditions set forth in Sections 33(B)(i) and 33(B)(ii) above, Landlord shall be entitled to make claim against the surety on any existing lease guarantee bond for the then-current Stipulated Sum.
- D. <u>Definition of Stipulated Sum</u>. As used herein, the term "Stipulated Sum" initially means the sum of Three Hundred Twenty-Five Thousand One Hundred Twenty-Eight and forty-eight/one hundredths Dollars (\$325,128.48). On each of the first (1st) ten (10) anniversaries of the Rent Commencement Date, the Stipulated Sum will be decreased by the sum of Thirty-Two Thousand Five Hundred Twelve and eighty-five/one hundredths Dollars (\$32,512.85). From and after the tenth (10th) anniversary of the Rent Commencement Date, the Stipulated Sum shall equal zero.
- E. No Waiver of Rights. Notwithstanding anything herein contained to the contrary, Tenant expressly acknowledges and agrees that no failure by the Tenant to secure any such appropriations, approvals, authorizations or consents, or to take all necessary actions, in order to fully discharge all of the Tenant's duties and obligations as set forth in this lease shall be deemed to deprive Landlord of any of its rights pursuant to this Lease or at law or in equity (including, but not limited to, the right to enforce Tenant's liability for any rent deficiency to which Landlord is entitled under the terms hereof or the right to seek satisfaction of any judgment granted to Landlord against Tenant).
- 34. FAILURE TO GRANT CONSENT. Notwithstanding anything contained in this Lease to the contrary, Tenant shall have no claim, and hereby waives the right to any claim against Landlord for money damages by reason of any refusal, withholding or delaying by Landlord of

any consent, approval or statement of satisfaction, and in such event, Tenant's only remedies therefor shall be an action for specific performance, injunction or declaratory judgment to enforce any right to such consent, etc. Additionally, unless otherwise specifically provided herein, Landlord may grant or refuse its consent to any item in its sole discretion.

35. HAZARDOUS MATERIALS.

35.1 Defined Terms.

- a. "Claim" shall mean and include any demand, cause of action, proceeding or suit for any one or more of the following: (i) actual or punitive damages, losses, injuries to person or property, damages to natural resources, fines, penalties, interest, contribution or settlement, (ii) the costs of site investigations, feasibility studies, information requests, health or risk assessments, or Response (as hereinafter defined) actions, and (iii) enforcing insurance, contribution or indemnification agreements.
- b. "Environmental Laws" shall mean and include all federal, state and local statutes, ordinances, regulations and rules relating to environmental quality, health, safety, contamination and clean-up, including, without limitation, the Clean Air Act, 42 U.S.C. Section 7401 et seq.; the Clean Water Act, 33 U.S.C. Section 1251 et seq., and the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. Section 136 et seq.; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C., Section 1401 et seq.; the National Environmental Policy Act, 42 U.S.C. Section 4321 et seq.; the Noise Control Act, 42 U.S.C. Section 4901 et seg.; the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. Section 6901 et seq., as amended by the Hazardous and Solid Waste Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. Section 300f et seg.; the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. Section 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act, the Emergency Planning and Community Right-to-Know Act, and Radon Gas and Indoor Air Quality Research Act; the Toxic Substances Control Act ("TSCA"), 15 U.S.C. Section 2601 et seq.; the Atomic Energy Act, 42 U.S.C. Section 2011 et seq., and the Nuclear Waste Policy Act of 1982, 42 U.S.C. Section 10101 et. seq.; and state superlien and environmental clean-up statutes, with implementing regulations and guidelines, as amended from time to time. Environmental Laws shall also include all state, regional, county, municipal and other local laws, regulations, and ordinances insofar as they are equivalent or

similar to the federal laws recited above or purport to regulate Hazardous Materials (as hereinafter defined).

- c. "Hazardous Materials" shall mean and include the following, including mixtures thereof: any hazardous substance, pollutant, contaminant, waste, by-product or constituent regulated under CERCLA; oil and petroleum products and natural gas, natural gas liquids, liquefied natural gas and synthetic gas usable for fuel; pesticides regulated under the FIFRA; asbestos and asbestos-containing materials, PCBs, and other substances regulated under the TSCA; source material, special nuclear material, by-product material and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act or the Nuclear Waste Policy Act; chemicals subject to the OSHA Hazard Communication Standard, 29 C.F.R. Section 1910.1200 et seq., and industrial process and pollution control wastes, whether or not hazardous within the meaning of RCRA; any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect render it subject to federal, state or local regulation, investigation, remediation, or removal as potentially injurious to public health or welfare.
- d. "Use" means to manage, generate, manufacture, process, treat, store, use, re-use, refine, recycle, reclaim, blend or burn for energy recovery, incinerate, accumulate speculatively, transport, transfer, dispose of, or abandon Hazardous Materials.
- e. "Release" or "Released" shall mean any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of Hazardous Materials into the environment, as "environment" is defined in CERCLA.
- f. "Response" or "Respond" shall mean action taken in compliance with Environmental Laws to correct, remove, remediate, cleanup, prevent, mitigate, monitor, evaluate, investigate, assess or abate the Release of a Hazardous Material.
- 35.2 Tenant's Obligations with Respect to Environmental Matters. During the term of this Lease, (a) Tenant shall comply at its own cost with all Environmental Laws; (b) Tenant shall not Use, or authorize the Use of, any Hazardous Materials on the Leased Premises, including installation of any underground storage tanks, without prior written disclosure to and approval by the Landlord, except for small quantities ordinarily used by office tenants in ordinary office equipment, such as copying machines, typewriters and personal computers; but only to the

extent permitted by law; (c) Tenant shall not take any action that would subject the Leased Premises to permit requirements under RCRA for storage, treatment or disposal of Hazardous Materials; (d) Tenant shall not dispose of Hazardous Materials in dumpsters provided by Landlord for tenant use; (e) Tenant shall not discharge Hazardous Materials into Project drains or sewers; (f) Tenant shall not cause or allow the Release of any Hazardous Materials on, to, or from the Project; and (g) Tenant shall arrange at its own cost for the lawful transportation and off-site disposal of all Hazardous Materials that it generates.

- Landlord promptly with copies of all summons, citations, directives, information inquiries or requests, notices of potential responsibility, notices of violation or deficiency, orders or decrees, Claims, complaints, investigations, judgments, letters, notices of environmental liens or Response actions in progress, and other communications, written or oral, actual or threatened, from the United States Environmental Protection Agency, Occupational Safety and Health Administration, or other federal, state or local agency or authority, or any other entity or individual, concerning (a) any Release of a Hazardous Material on, to or from the Leased Premises; (b) the imposition of any lien on the Leased Premises; or (c) any alleged violation of or responsibility under Environmental Laws. Landlord and Landlord's beneficiaries, agents and employees shall have the right to enter the Leased Premises and conduct appropriate inspections or tests in order to determine Tenant's compliance with Environmental Laws.
- 35.4 <u>Tests and Reports</u>. Upon written request by Landlord, Tenant shall provide Landlord with the results of appropriate reports and tests, with transportation and disposal contracts for Hazardous Materials, with any permits issued under Environmental Laws, and with any other applicable documents to demonstrate that Tenant complies with all Environmental Laws relating to the Leased Premises.
- 35.5 <u>Tenant's Obligation to Respond</u>. If Tenant's Use of Hazardous Materials at the Leased Premises (a) gives rise to liability or to a Claim under any Environmental Law, (b) causes a significant public health effect, or (c) creates a nuisance, Tenant shall promptly take all applicable action in Response.
- 35.6 <u>Indemnification</u>. Tenant shall indemnify, defend, and hold harmless

 Landlord, its beneficiaries, its lenders, any managing agents and leasing agents of the Leased

 Premises, and their respective agents, representatives partners, officers, directors and employees

from and against any and all Claims arising from or attributable to any breach by Tenant of any of its warranties, representations or covenants in this Article. Tenant's obligations hereunder shall survive the termination or expiration of this Lease.

36 MISCELLANEOUS:

- A. <u>Entire Agreement</u>. This Lease and any Exhibits or Addenda which are attached hereto and made a part hereof, contain the entire agreement by the parties hereto and there are no promises, agreements, conditions, undertakings or warranties or representations, between them other than as herein or therein set forth. This Lease may not be modified in any manner except by an instrument in writing executed by the parties hereto.
- B. <u>Governing Law</u>. The provisions of this lease shall be interpreted in accordance with the laws of the State of Maryland.
- C. <u>Time of the Essence</u>. Time is of the essence with regard to all obligations of Tenant under this Lease.
- D. Waiver of Termination Rights. Landlord and Tenant hereby acknowledge that the provisions of this Lease with regard to casualty and condemnation are intended to be the sole and exclusive provisions applicable in the event of any condemnation or fire, casualty or unavoidable accident to the Leased Premises, and that the same are provided in lieu of the operation of any statutory provision regarding the same (as the same may be amended and any successor provision thereto), including, but not limited to, any statutory right of termination. Without limiting the foregoing, Tenant expressly acknowledges and agrees that Tenant shall have no right to terminate this Lease except as expressly set forth in this Lease.
- E.. <u>Brokers</u>. Tenant warrants and represents to Landlord that it has not dealt with any real estate broker or agent in connection with this Lease or its negotiation except TRANSWESTERN Carey Winston, LLC. Tenant agrees to pay any compensation, commission or fees claimed by any other real estate broker or agent in connection with this Lease or its negotiation by reason of any alleged act of Tenant. In addition, Tenant shall reimburse Landlord for any legal fees and other costs incurred by Landlord to defend against any claim for which Tenant is responsible pursuant to this Section 36(E).
- F. <u>Interpretation</u>. As used in this Lease, the term "lease year" shall mean each successive period of twelve (12) months commencing on the Lease Commencement Date or an anniversary thereof. Feminine or neuter pronouns shall be substituted for those of the masculine

form, and the plural shall be substituted for the singular number in any place herein in which the context may require such a substitution.

- G. <u>Severability</u>. A final determination by a court of competent jurisdiction that any provision of this Lease is invalid shall not affect the validity of any other provision, and any provision so determined to be invalid shall, to the extent possible, be construed to accomplish its intended effect. In the event that any material provision (or any material part of any provision) contained in this Lease shall for any reason be held to be invalid, unlawful or unenforceable in any respect, Landlord and Tenant shall, at Landlord's election, amend this Lease so as to render every provision hereby fully valid, lawful and enforceable in all respect, and so as to result in a revised lease with equivalent economic and legal substance as if no provision or portion of this Lease had been declared invalid, unlawful or unenforceable.
- 37 SUCCESSORS AND ASSIGNS: Subject to the provisions hereof, this Lease and all agreements, conditions, covenants, duties and obligations contained herein shall bind and inure to the benefit of, and may be legally enforced by, the parties hereto and their respective legal representatives, successors and permitted assigns.
- 38. TRANSFER OF LANDLORD'S INTEREST: In the event of any sale or sales by the then current Landlord of the Building or the Leased Premises, or in the event the Building is leased by the then current Landlord hereunder to any party (subject to this Lease), then, from and after the closing of such sale or lease transaction, the Landlord whose interest is thus sold or leased shall be and hereby is completely released and forever discharged from any and all covenants, obligations, and liabilities of Landlord hereunder, excepting those obligations, covenants and liabilities accruing prior to the date of transfer.
- 39. MAILING NOTICES: All notices required or desired to be given hereunder by either party to the other shall be given by certified or registered mail. Notices to the respective parties shall be addressed as follows:

IF TO TENANT:

Montgomery County Division of Facilities and Services Leasing Management 110 North Washington Street 3rd Floor

Rockville, Maryland 20850

IF TO LANDLORD:

Richtree Corporation c/o Rim Pacific Management 15520 Rockfield Boulevard Suite G Irvine, California 92618 Attention: Asset Manager

With copies to:
Rim Pacific Management
7918 Jones Branch Drive, Suite 510
McLean, Virginia 22102
Attn: Property Manager-NorthTech

and:

Wilkes, Artis, Hedrick & Lane, Chtd. Attn: Mark S. Randall, Esq. 1666 K Street, N.W. Washington, D.C. 20006

40. LANDLORD'S LIABILITY:

- A. Personal Property at Tenant's Risk. All personal property of Tenant, its employees, agents, business invitees, licensees, customers, clients, family members, guests or trespassers, in and on the Leased Premises, shall be and remain at their sole risk, and Landlord shall not be liable to them for any damage to, or loss of such personal property arising from any act of any other persons.
- B. <u>Liability for Injury</u>. Unless there is negligence or a willful act or failure to act on the part of Landlord, its agents or employees in violation of the terms of this Lease, Landlord shall not be liable for any personal or bodily injury to Tenant, its employees, agents, business invitees, licensees, customers, clients, family members, guests or trespassers arising from the use, occupancy and condition of the Leased Premises.
- C. <u>Landlord Not Liable</u>. Without limiting the foregoing, Landlord shall not be liable for injury or damage which may be sustained by the person or property of Tenant, its employees, invitees or customers, or any other person in or about the Leased Premises, caused by or resulting from fire, steam, electricity, gas, water or rain which may leak or flow from or into any part of the Leased Premises, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, and the like

whether such damage or injury results from conditions arising upon the Leased Premises or upon other portions of the Building or Project or from other sources. Landlord shall not be liable for any damages arising from any act or omission of any other tenant of the Building or Project. In no event shall Landlord be liable for any indirect, consequential or punitive damages for any breach of this Lease by Landlord.

- D. Non-Recourse Obligation. It is expressly understood and agreed that if
 Tenant obtains a money judgment against Landlord resulting from any default or other claim
 arising under this Lease, that judgment shall be satisfied only out of the rents, issues, profits and
 other income actually received on account of Landlord's right, title and interest in the Leased
 Premises, and no other real, personal or mixed property of Landlord (or of any of the
 shareholders of Landlord) wherever situated, shall be subject to levy to satisfy such judgment.
 Tenant shall not have the right to terminate this Lease or to withhold, reduce or offset any amount
 against any payments of Rent or any other charges due and payable under this Lease, except as
 otherwise specifically provided herein.
- E. Tenant Indemnification. To the extent permitted by applicable law, Tenant shall indemnify and hold Landlord harmless against and from liability and claims of any kind for loss or damage to property of Tenant or any other person, or for any injury to or death of any person, arising out of: (1) Tenant's use and occupancy of the Leased Premises, or any work, activity or other things allowed or suffered by Tenant to be done in, on or about the Leased Premises; (2) any breach or default by Tenant of any of Tenant's obligations under this Lease; or (3) any act or omission of Tenant or any of Tenant's Agents. Tenant shall at Tenant's expense, and by counsel satisfactory to Landlord, defend Landlord in any action or proceeding arising from any such claim and shall indemnify Landlord against all costs, attorneys' fees, expert witness fees and any other expenses incurred in such action or proceeding. As a material part of the consideration for Landlord's execution of this Lease, Tenant hereby assumes all risk of damage or injury to any person or property in, on or about the Leased Premises from any cause to the extent permitted by law. The provisions of this Section 40 shall survive the expiration or sooner termination of this Lease.
- 41. COUNTERPARTS: This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

executed. ATTEST: LANDLORD: RICHTREE CORPORATION arbua X Campun TENANT: MONTGOMERY COUNTY, ATTEST: MARYLAND By: CHIEF ADMINISTRATIVE OFFICER Date: APPROVED AS TO FORM & LEGALITY RECOMMENDED OFFICE OF THE COUNTY ATTORNEY By: _____ REY JUNQUERA LEASING MANAGER Date: Date:

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be properly

DISK11/1300 QUINCE ORCHARD

executed. ATTEST: LANDLORD: RICHTREE CORPORATION By: _____ Ву: ____ Date: TENANT: MONTGOMERY COUNTY, ATTEST: **MARYLAND** By: Kobercal Domarile WILLIAM MOONEY, ASSISTAN CHIEF ADMINISTRATIVE OFFICER Date: APPROVED AS TO FORM & LEGALITY RECOMMENDED OFFICE OF THE COUNTY ATTORNEY LEASING MANAGER Date:

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be properly

DISK11/1300 QUINCE ORCHARD

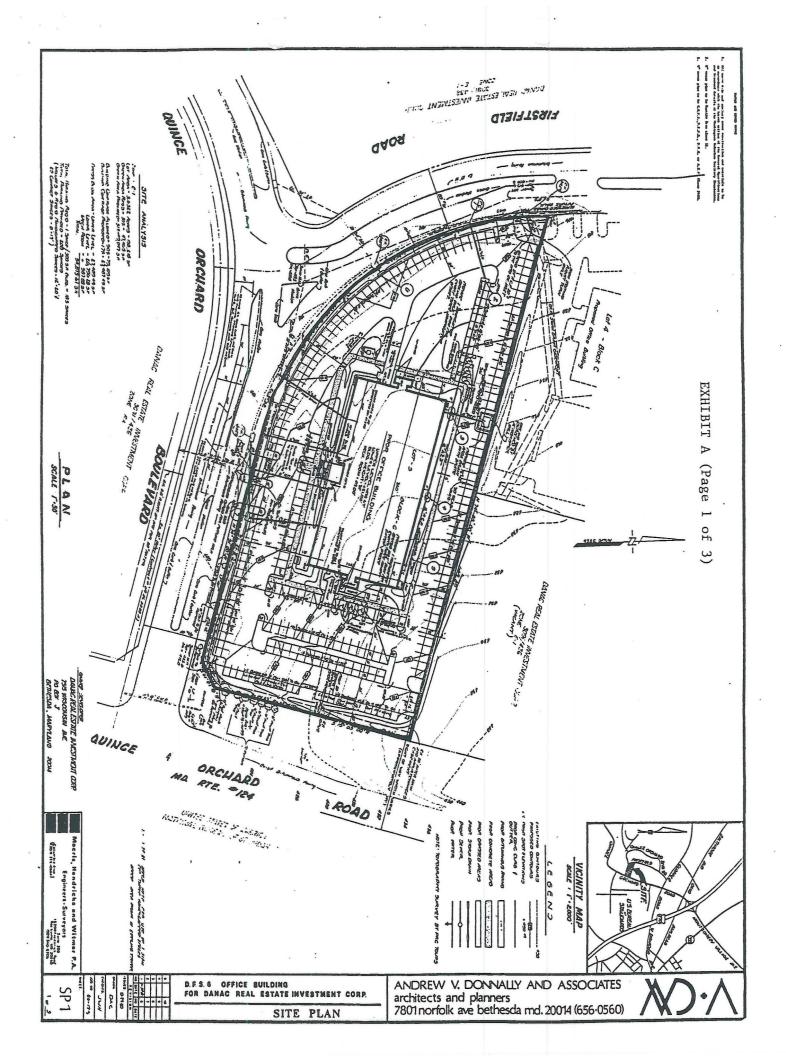
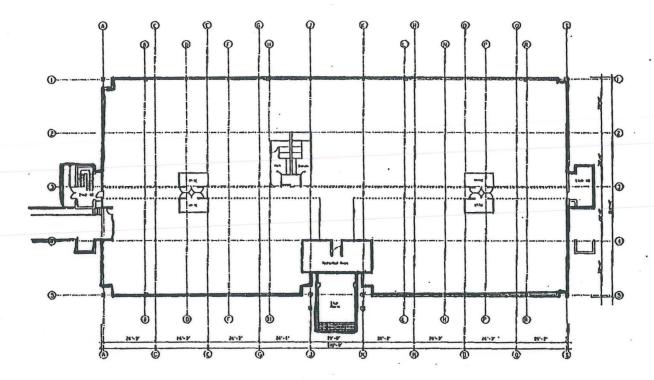


EXHIBIT A (Page 2 of 3)



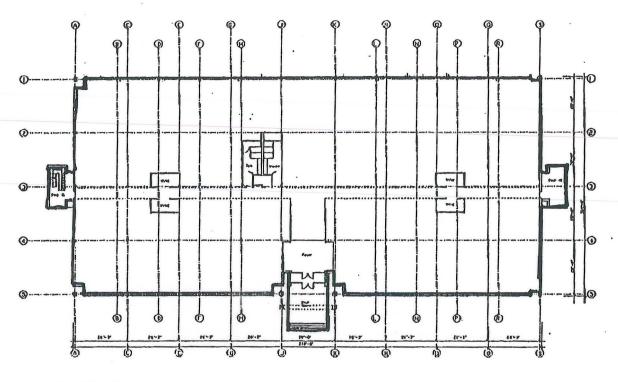
LOWER LEVEL

SCALE: 1/32"=1'-0"

RIM PACIFIC
1300 QUINCE ORCHARD BLVD

SLE

110



UPPER LEVEL

SCALE: 1/32"=1'-0"

RIM PACIFIC
1300 QUINCE ORCHARD BLVD



and attorney's fees) asserted against Licensor by reason of such failure.

- 6. Repairs and Maintenance: Licensee shall repair and maintain the Equipment throughout the Term in compliance with all applicable codes, laws and regulations. Licensee and/or its contractor shall bear all expenses in connection with the installation, operation, maintenance and repair of the Equipment and the removal thereof. All maintenance work shall be performed by Licensee's employees or by certified contractors, previously approved in writing by Licensor.
- 7. Compliance with Laws. Licensee shall, at the Licensee's expense, comply with all present and future governmental laws, regulations or requirements and obtain and maintain in full force and effect throughout the Term all permits and other governmental approvals as may be required in connection with the Equipment. In addition, Licensee agrees that Licensee shall, at Licensee's sole expense, comply with all other laws, statutes, ordinances, and governmental rules, regulations and requirements now in force or which may hereafter be in force, and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, relating to or affecting the Licensee's Equipment, access to the roof, and/or the activities of Licensee or Licensee's agents, employees, officers, contractors, licensees, invitees and/or others for whose actions Licensee is responsible at law in, on or upon the roof.
- 8. <u>Indemnity</u>: To the fullest extent permitted by applicable law, Licensee hereby agrees to indemnify and hold Licensor and Licensor's agents, contractors and employees (collectively, the "Indemnitees") harmless from and against any and all costs, damages, claims, expenses, fees, suits, awards and liabilities incurred or suffered by or claimed against any Indemnitee (including, but not limited to, court costs and reasonable attorneys fees), directly or indirectly, based on, arising out of or resulting from (i) Licensee's use of the License Area, (ii) any act or omission by Licensee or its employees, agents or invitees within the License Area, or (iii) any breach or default by Licensee in the performance or observance of its covenants or obligations under this License Agreement. Without limiting the foregoing, Licensee shall be responsible for, and shall defend, indemnify and hold Licensor harmless from and against, any damage caused to the roof structure by the installation, operation, maintenance, repair and/or removal of the Equipment, and any injury or death, or loss or damage to any of the Equipment or involving any equipment of any other licensee or tenant.
- 9. <u>Insurance</u>: In furtherance of Licensee's indemnity of Licensor as contained in the preceding Section 13, Licensee hereby agrees to maintain in full force and effect throughout the Term comprehensive general liability insurance, including contractual liability coverage and tenant's legal liability coverage, with combined single limits of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence, and broad-form property damage insurance, utilizing insurers reasonably acceptable to Licensor, with respect to personal injury, death or property damage arising out of or in connection with Licensee's Equipment, Licensee's right of access to the roof pursuant to this License Agreement, and any activities conducted in, on or upon the roof by the Licensee or the Licensee's agents, employees, officers, directors, contractors, licensees, invitees and/or others for whose actions Licensee is responsible. In addition, Licensee shall require all contractors and subcontractors engaged for installation or maintenance of the Equipment to provide to Licensor a certificate of insurance evidencing the insurance coverages set forth on the attached Exhibit 1.

EXHIBIT B

ROOF RESTRICTIONS

1. Permitted Use: Subject to (i) Licensee's receipt of all applicable governmental approvals and permits (the same to be obtained by the Licensee and a copy thereof provided to Licensor, all at the Licensee's sole expense), (ii) Licensor's structural and roofing requirements (consistent with the structural limitations of the Building as determined by the Licensor's structural engineer at the Licensee's expense), and (iii) the other provisions hereof this License Agreement, Licensor agrees to permit Licensee to install and operate communications equipment (collectively referred to as the "Equipment") on the Building roof. Use of the Equipment shall be solely for the convenience of Licensee in the normal conduct of Licensee's business. In no event shall the Equipment be used for a commercial purpose separate from Licensee's normal business as an independent means of producing income separate from the Licensee's normal business.

2. Equipment Requirements:

- (a) The nature, type, weight and location of the Equipment and plans and specifications for the installation thereof shall be subject to the Licensor's prior written approval. Without limiting the foregoing, the aggregate weight of the Equipment shall not exceed the maximum roof load, inclusive of all mounting structures. Licensor shall have no obligation to install or maintain any barriers between the Equipment and any other equipment on the Building roof.
- (b) The Equipment shall be clearly marked to show Licensee's name, address, telephone number, the name of the person to contact in case of emergency, FCC call sign, frequency and location. All transmission lines and other cables and lines installed as part of the Equipment shall be identified at the points of origination and connection.
- (c) In the event Licensee requires an electric power supply (or usage difference from that currently at the License Area, Licensee shall, at Licensee's sole cost and expense, obtain and install such power supply subject to Licensor's approval. Licensee shall be solely responsible for supplying electricity and other utility service to the License Area, subject to Licensor's restrictions pertaining thereto.
- (d) In the event a zoning variance is required in connection with the installation or modification of the Equipment, Licensor shall allow Licensee to obtain such variance at Licensee's sole cost and expense, but in such event the terms of such variance shall be subject to Licensor's approval in Licensor's sole discretion.

3. <u>Installation of Equipment</u>:

- (a) The Equipment shall be installed, in compliance with all applicable codes, law and regulations and at Licensee's sole expense, by a properly licensed and insured contractor approved by Licensor. Prior to installation of the Equipment, Licensee shall provide Licensor with evidence that all necessary licenses, permits and approvals have been obtained.
- (b) Prior to commencing installation of the Equipment, Licensee's contractors and subcontractors shall submit to Licensor a Certificate of Insurance showing that all insurance requirements set forth on the attached Exhibit 1 have been met. If any policy expires during the term of the contract, Licensee shall ensure that such policy is

automatically renewed (or a replacement policy is issued) and a new Certificate of Insurance sent to Licensor not less than ten (10) days in advance of expiration of the then-current policy term.

(c) No penetration of the roof surface of the Building will be allowed except upon the prior written consent of the Licensor and the written agreement of the entity (or, if more than one (1), all entities) providing a warranty on the roof of the Building, that such penetration will not invalidate, in whole or part, the warranty(ies) provided by such entity(ies). The Equipment shall be shielded from public view in a manner acceptable to the Licensor. In no event shall Licensee permit the Equipment to be visible from surrounding locations on the ground.

4. No Interference:

- (a) Licensee agrees not to install or modify any of the Equipment in any manner which will or may interfere, electronically or otherwise, with the operation of the Building or any equipment installed on the roof from time to time by Licensor or any other equipment of any tenant or licensee in the Business Park, or adversely impact the financability or marketability of the Building. Licensee shall take all steps necessary to ensure that the installation and operation of the Equipment does not adversely affect the operation of the Building or its basic systems or the systems used by any tenants of the Business Park.
- (b) If the operation of any portion of the Equipment causes any adverse effect, Licensee, at its sole expense, shall immediately cease its operation of the Equipment and take all steps necessary to eliminate such adverse effect(s). If such adverse effect(s) cannot be eliminated by Licensee, Licensee shall, upon Licensor's request and at Licensee's sole expense, remove the Equipment in accordance with the terms hereof.
- (c) Licensee shall and hereby agrees to defend, indemnify and hold Licensor, Licensor's Agent and all other licensees and tenants having facilities located at the Building harmless, from and against any and all costs of any damage to their respective facilities or equipment located as a result of the installation, operation or maintenance of Licensee's Equipment.

5. Condition and Suitability of the Property:

- (a) Licensor makes no representations or warranties regarding the suitability or condition of the roof for installation or operation of the Equipment, and Licensor shall have no liability to Licensee on account thereof. The installation and operation of the Equipment on the roof by Licensee shall be at the Licensee's sole risk. Without limiting the foregoing, Licensee waives any and all claims against Licensor for any interference caused to Licensee's Equipment by any present or future equipment or facilities of Licensor or any of its tenants or licensees.
- (b) Licensee hereby assumes the risk of the inability to operate as a result of any structural or power failures at the License Area or failure of Licensee's Equipment for any reason whatsoever and agrees to defend, indemnify and hold Licensor harmless from and against any and all damages and costs of defending any claim or suit of any kind (including, but not limited to, any claim for damages due to business interruption,

SCHEDULE 1

CONTRACTOR INSURANCE REQUIREMENTS

All contractors and subcontractors shall, at their sole expense, carry and maintain throughout the term or the contract the following insurance:

Worker's Compensation -

Statutory Limits

Employer's Liability -

\$100,000 each accident \$500,000 policy-limit disease \$100,000 disease-each employee

Commercial General Liability -

Primary:

\$500,000 each occurrence(BI/PD) \$500,000 aggregate per location

\$500,000 aggregate. Products liability -

completed operations \$500,000 personal injury and

advertising injury \$5,000 medical expense

Automobile Liability and Property Damage -

\$500,000 combined single limit

Professional Liability -

\$500,000

Notes:

- (1) Commercial general liability shall include all major divisions of coverage and be on a commercial occurrence form. It shall include premises operations, products and completed operations, contractual, personal injury, and advertising injury, owner's and contractor's protective and broad form property damage.
- (2) Excess liability policies must follow form with primary liability policies.
- (3) Contractor and subcontractors doing installation work only must carry completed operations coverage for two years following completion of their work. Contractors and subcontractors providing maintenance service must carry completed operations coverage continuously.
- (4) Automobile liability shall be written on an occurrence basis. It shall include all automobiles owned, leased, hires non-owned.
- (5) Each provider of design or engineering services shall provide evidence of professional liability insurance covering all design or engineering aspect of the work.
- (6) Each insurance policy set forth above shall be primary over any that may be carried by Licensor or its Agent.

- (7) Except for workers' compensation and professional liability, each policy shall name Licensor, Agent and, if requested by Licensor, Licensor's mortgagee, as additional insureds.
- (8) Policies must be with carriers licensed to do business in the jurisdiction where the Building is located, and approved by Licensor. The form of each policy shall at all times be subject to the Licensor's reasonable approval.
- (9) Each policy shall contain a provision pursuant to which the insurer agrees to provide to Licensor not less than thirty (30) days prior written notice of any cancellation or material modification.

EXHIBIT C FORM OF LEASE GUARANTEE BOND

LEASE GUARANTEE BOND

KNOW ALL MEN BY THESE PRESENTS: That We, MONTGOMERY COUNTY, MARYLAND, as Principal, and Hartford Fire Insurance Company, a corporation with principal offices in Hartford, Connecticut, as Surety, are held and firmly bound unto RICHTREE CORPORATION as Obligee in the sum of THREE HUNDRED TWENTY-FIVE THOUSAND ONE HUNDRED TWENTY-EIGHT AND FORTY-EIGHT/ONE HUNDREDTHS DOLLARS (\$325,128.48) (the "Stipulated Sum"), for the payment of which sum, well and truly to be made, we bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT: Whereas, the above named Principal and Obligee have entered into a certain Deed of Lease dated November ____, 1999 (the "Lease"), and this obligation is executed solely to guarantee the payment of the Stipulated Sum if the Principal fails to (i) appropriate, on or before May 31, 2000, sufficient funds for payment of the rent due under the Lease for the Principal's next fiscal year (i.e., the period commencing July 1, 2000 and ending June 30, 2001), or (ii) deliver, on or before May 31, 2000, a replacement Bond for the Principal's succeeding fiscal year (i.e., the period commencing on July 1, 2001 and ending June 30, 2002) for the the Stipulated Sum of \$292,615.63 and otherwise in substantially the same form as this Bond (such appropriation and the delivery of the replacement Bond collectively referred to as the "Conditions").

NOW, THEREFORE, if MONTGOMERY COUNTY, MARYLAND, as Principal, satisfies both of the Conditions set forth above, on or before May 31, 2000, then this obligation shall be void; otherwise this obligation shall remain in full force and effect until November ____, 2000. It is also understood and agreed that the Obligee may recover the full posted sum of this Bond within thirty (30) days (less any previous amounts paid to the Obligee hereunder) of notice of claim to Surety.

PROVIDED HOWEVER, that the Bond is written upon the following expressed conditions:

(1) That in no event shall the liability of Surety hereunder be cumulative from year to year, nor shall Surety in any event be liable hereunder for more than the total amount of THREE HUNDRED TWENTY-FIVE THOUSAND ONE HUNDRED TWENTY-EIGHT AND FORTY-EIGHT/ONE HUNDREDTHS DOLLARS (\$325,128.48), plus the court costs and reasonable attorneys fees incurred by or on behalf of Obligee to enforce this Bond.

- (2)That Surety may terminate its obligation under this Bond by first serving sixty (60) days' written notice (by registered mail or certified mail) of its intention to so do upon Obligee at the following address: Richtree Corporation, c/o Rim Pacific Management, 15520 Rockfield Boulevard, Suite G, Irvine, California 92618, Attention: Asset Manager, with copies to: Rim Pacific Management, 7918 Jones Branch Drive, Suite 510, McLean, Virginia 22102, Attn: Property Manager-NorthTech, and Wilkes, Artis, Hedrick & Lane, Chtd., Attn: Mark S. Randall, Esq., 1666 K Street, N.W., Washington, D.C. 20006; provided that, no notice of the Surety's intention to terminate its obligations under this Bond shall be of any force or effect unless Obligee receives a replacement Bond in the form and amount hereof within thirty (30) days of such notice of the Surety's intention to terminate its obligations under this Bond. Otherwise, this Bond shall remain in full force and effect. Notwithstanding any termination of this Bond, Surety shall remain bound, subject to the terms of this Bond, for accrued or incurred liability prior to the effective date of termination.
- (3) That in no event will the Obligee be obligated to exhaust its remedies against the Principal, or to attempt to collect the Stipulated Sum from the Principal, before enforcing this Bond against the Surety.

Signed sealed and dated this

day of November, 1999.

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WITNESS OR ATTEST:	HARTFORD FIRE INSURANCE COMPANY
	By:Attorney in fact
WITNESS or ATTEST:	MONTGOMERY COUNTY, MARYLAND
	By: